

I started to prepare a report on South Naylor Canyon last year, but with the hold up on two (2) previous reports I am uncertain if the new State Geologist wants these type of reports. The previous State Geologist, Larry Fellows always welcomed these CR reports.

Enclosed is some information I got from KHRH on the Bernally mines. I only examined the mine by AEC Plot 4 but the Certification report reports a second workings to the south. Both are indicated on the Claim (M.D) map.

Don R. Hill, Chief, Development Section  
Mining Division, GJ

February 6, 1956

Albert S.J. Taylor, Mining Engineer  
Mining Division, GJ

CERTIFICATION OF THE BENALLY NOS. 1, 2, and 3 (PERMIT NO. 319) SHIPROCK  
MINING DISTRICT, APACHE COUNTY, ARIZONA. (APPLICATION NO. 1210)

Symbol:MD:ASJT

### Abstract

The Benally Nos. 1, 2 and 3 are three subdivisions of a tract of approximately 480 acres in the Navajo Indian Reservation, on which mining rights have been granted to Melvin Benally, a Navajo Indian, and assigned by Melvin Benally to Byden Mines, Inc., the applicant.

Ore was shipped from the property in September, 1955, and later. The September shipments to Shiprock amounted to 70.09 tons at 0.21% U<sub>3</sub>O<sub>8</sub>.

The Finance Division reports no production from the property for the period April 9, 1948 through February 28, 1951.

It is recommended that the property be certified as a unit to receive bonus payments on 10,000 pounds of U<sub>3</sub>O<sub>8</sub>.

### Introduction

Application No. 1210 was received on October 10, 1955, from Byden Mines, Inc., Box 728, Cortez, Colorado.

An examination was made of the property on December 7, 1955, by the writer, accompanied by Mr. T. S. Hadden, contract miner representing the applicant.

No correspondence with the applicant has occurred except that a letter was sent making an appointment to meet the applicant for an examination of the property.

The tract was originally laid out to include part of Plots 4 and 5 which are leased to the Atomic Energy Commission from the Navajo Tribe. Boundary markers were then more conspicuously marked on the AEC lease, and the Benally tract was resurveyed, excluding those portions of Plots 4 & 5 originally taken in.

OFFICE ▶	MD	MD	MD	MD		
SURNAME ▶	Taylor:bem <i>Taylor</i>	Newman <i>Newman</i>	For: Hill <i>R. J. Hill</i>	Tbols <i>Tbols</i>		
DATE ▶	2/6/56	2-8-56	2-8-56	2/9/56		

The applicant is reported to have sold 51% of its stock to Climax Uranium Company since making application. This transaction does not appear to affect the processing of the application. Climax Uranium Company is not known to own or control any other property in the immediate vicinity.

#### Production

About 180 tons of ore had been mined in the  $4\frac{1}{2}$  months preceding the examination. About 10 tons were stockpiled and the rest shipped. All ore in sight was mined out except a few tons in the surface workings on Bermally No. 3 claim.

The contract miner stated that he had been working on a contract which gave him 50% of the ore receipts and 50% of bonus payments. The company was required to drill ahead of mining operations, according to the contract, but this had not been done. Consequently the contractor was about ready to quit the property and start mining on a drilled out ore body on the AEC Plot No. 4.

The applicant has drilled about 13,000 feet of wagon drill holes without keeping accurate logs and without blocking out any ore bodies.

On the No. 1 claim an adit was driven into an outcrop for about 90 feet, through pods of 1 to 4 foot thick ore, yielding about 90 tons of ore. At the end of this adit a 32 foot raise was driven to a mineralized clay zone. A drill hole from the surface had shown mineralization, but the material encountered in the raise proved to be no better than 0.07% U<sub>3</sub>O<sub>8</sub>. Mining was begun with a slusher and shuttle car, but the mine inspector soon ruled the shuttle car illegal, as Arizona mining laws do not permit internal combustion machinery underground. Then a mule cart was used for tramming. The mule used here was reported to be one of the mules used in the movie "Ticket to Tombstone." His adjustment to mining was evidently very reluctant, as more energy was said to have been expended in kicking than in tramming ore.

On the No. 3 claim about 95 tons of ore were mined from a surface operation after building about 0.5 mile of road to the outcrop. Ten to twenty tons of ore here were stockpiled or exposed, and no more ore had been developed on the property.

There seems to be little possibility of the property ever working out the full bonus, but the new partner in the corporation, Climax Uranium Company, evidently has a more optimistic view of the property.

Mining costs are reported to be more than the price of the ore. Haulage costs are 8¢ per ton mile.

Equipment on the property included a 365 Schram compressor mounted on a Coleman truck with an Ingersoll 120 wagon drill, a TD14 Cat with dozer, a Model H Farmall front end loader, a Jaeger 125 compressor, a 55 Thor jackhammer, a Sullivan 10 HP double drum slusher, a 5 HP slusher and ramp, and a 1 ton mule cart.

Status of the Land

The claims in the 480 acre tract on which mining rights are held by the applicant, by virtue of an assignment of Navajo Tribal Mining Permit No. 319, are known as the Benally Nos. 1, 2, and 3. Permit No. 319 became effective June 13, 1955, the date of approval by the General Superintendent. The permit granted mining rights to Melvin Benally, a Navajo Indian. The assignment to the applicant of Permit No. 319 was approved July 22, 1955, by the Assistant Area Director. Benally gets 5% of the bonus payments and 2 to 5% of the mine value of ore produced.

The claims are tied to Mineral Monument No. 2 and to AEC Plots 4 and 5, according to the map submitted by the applicant. The tie to Mineral Monument No. 2 appears to be a calculated tie, but the ties to corners on AEC Plots 4 and 5 appear to be actual field ties, according to field observation. The survey was made by an unregistered surveyor, Waldo Emerson, whose work has been accepted in the past by the Navajo Tribe and the Indian Service. The corners observed were stone monuments.

The claims appear to be in unsurveyed Sections 31 and 32 of T. 40 N., R. 29 E., and Sections 5 and 6 of T. 39 N., R. 29 E., G&SR B&M. No survey ties have been made tying these claims to section corners, as the closest established section corner is about six miles away.

The property may be reached by traveling westerly from Tec Nos Pas Trading Post for 10.1 miles on the Shiprock-Monument Valley road and taking the left (south) road for 3.9 miles to the Rattlesnake AEC camp. Proceed past the AEC camp, taking the main road up Saytah Wash for about 5 miles and turn left up the main fork of Saytah Wash to the camp on the Benally claim No. 1. The camp is 7.6 miles from the AEC camp. The underground workings on Benally claim No. 1 are 0.1 mile up the wash from camp, and the surface workings on Benally claim No. 3 are 0.5 mile by trail up a side draw to the right from the camp.

Haulage distance from Shiprock is 51 miles.

Ownership

Ownership of the property is vested in the Navajo Tribe. Possession of mining rights by the applicant are in order according to regulations in effect on the Navajo Indian Reservation as shown under "Status of the Land."

Initial production was attained by the applicant in September, 1955, when a total of 70.09 tons of 0.21% U<sub>3</sub>O<sub>8</sub> was shipped to the Shiprock Mill.

The applicant has the right to apply as the holder of an assignment of Navajo Tribal Mining Permit No. 319.

No conflicts were noted. The claims encircle AEC Plots 4 and 5 and they join John Benally's claim (assigned to American Uranium Company) on the east side. No other property is controlled by the applicant in the vicinity.

Ore Reserve Data

1. Formation Morrison (Salt Wash)
  2. Metallurgical Type Carnotite (high vanadium, low lime)
  3. Availability  
Mining C Metallurgy A Access B
  4. Discovery  
Source private Method surface prospecting  
Delineation or Development  
Source private Method mining
  5. Average Drilling Depth 75'
  6. Ore Reserves
- |           | Tons | Thickness | Percent                       |                               |                   |
|-----------|------|-----------|-------------------------------|-------------------------------|-------------------|
|           |      |           | U <sub>3</sub> O <sub>8</sub> | V <sub>2</sub> O <sub>5</sub> | CaCO <sub>3</sub> |
| Indicated | 10   | 6" - 12"  | 0.20                          | 1.0                           | 4.0               |
| Inferred  | 10   |           |                               |                               |                   |
| Total     | 20   |           |                               |                               |                   |
| Potential | 500  |           |                               |                               |                   |
7. Ownership independent operators
  8. Delivery Point Shiprock

Recommendations

It is recommended that the Benally Nos. 1, 2 and 3, as described in Navajo Tribal Mining Permit No. 319 be certified as a unit eligible to receive bonus payments on 10,000 pounds of U<sub>3</sub>O<sub>8</sub>.

The claims are located in Saytah Wash, Shiprock Mining District, Apache County, Arizona, on the Navajo Indian Reservation. The metes and bounds description as described in Permit No. 319 is as follows:

Beginning at corner No. 1, which bears N 31° 18' 50" E 12,982.8 ft. from Mineral Monument No. 2 and is common with the NE corner of AEC Plot No. 4, thence S 83° 40' W 1949 ft. to corner No. 2, which is also the NW corner of AEC Plot No. 4; thence S 5° 25' E 237 ft. to corner No. 3, which is also the SW corner of AEC Plot No. 4; thence S 84° W 760 ft. to corner No. 4; thence S 20° 45' E 350 ft. to corner No. 5; thence N 86° E 1660 ft. to corner No. 6, which is also the NW corner of AEC Plot No. 5; thence S 4° 40' E 213 ft. to corner No. 7, which is also the SW corner of AEC Plot No. 5; thence S 89° 50' E 983 ft. to corner No. 8, which is also the SE corner of AEC Plot No. 5; thence S 48° E 1795 ft. to corner No. 9; thence S 01° E 695 ft. to corner No. 10; thence N 88° 15' W 3305 ft. to corner No. 11; thence N 53° 55' W 2295 ft. to corner No. 12; thence N 4° 28' W 3009 ft. to corner No. 13; thence N 75° 55' E 3497 ft. to corner No. 14; thence N 86° E 3422 ft. to corner No. 15; thence S 8° 22' W 3252 ft. to corner No. 16; thence S 84° 35' W 1969 ft. to corner No. 17; thence N 4° 45' E 400 ft. to corner No. 18; thence N 85° 10' W 790 ft. to corner No. 19; which is also the SE corner of AEC Plot No. 4; thence N 3° 45' W 239 ft. to corner No. 1, the point of beginning, containing in all 482 acres, more or less.

The above property appears to fulfill the requirements for a unit eligible to be certified under Circular 6, in that:

1. Possession of mining rights by the applicant are in order.
2. No ore was produced from the property during the critical period.
3. Ore has been sold from the property subsequent to March 1, 1951.
4. The applicant does not control any other mining property in the vicinity, which this property could be combined with to make a unit.

cc: E.R.Gordon, ED  
I.M.Gay, Grants, NM

C-672 Benally Nos. 1, 2, & 3  
Visited 8-13-56

Engineer: Taylor

No recent activities apparent. Ore showing on rim at upper workings do not look commercial. No equipment on property. A compressor and hand tools were on the adjacent AEC Plot 4, probably belonging to the past operators of the Benally group. Otherwise the property appears to be abandoned. Bonus balance 7,227.36 lbs. U3O8 as of 8-1-56.

C-672 Benally Nos. 1, 2 & 3  
Visited 2/15/57

Engineer: Taylor

Eligible Balance - 9516.42 pounds U<sub>3</sub>O<sub>8</sub>.

No mining activity apparent since last visit. About 1 foot of ore is exposed in the upper workings.

No irregularities noted with respect to bonus payments.

FORM GJ-PD-2  
(2/58)

RECURRING VISITS TO CERTIFIED PROPERTIES

Group Name BENALLY #1 #2 #3 Certification No. 672

Location: APACHE ARIZ.  
County State

Date of Visit 6-12-58 Examining Engineer A. TAYLOR + A. SPEAR

Eligible Balance from last IBM Sheet: 9516.42 LBS.

Remarks: (Should include anything of interest about the property covering briefly such things as changes in ownership, present production, etc.)

WORKINGS SKETCHED, NO ACTIVITY, NO EQUIPMENT, NO APPARENT ORE EXPOSED. SMALL AMT. OF WORKING APPARENTLY DONE SINCE LAST VISIT.

Have you seen anything to lead you to suspect fraudulent collection of bonus:

Yes

✓ No

If the answer is yes - explain.

Distribution:

Development Section

Branch Offices

J. R. R. L. 6/16/58



RNI

FORM GJ-PD-2

RECURRING VISITS TO CERTIFIED PROPERTIES

Group Name Benally 1, 2, 3 Certification No. C - 672  
Location: Apache Arizona District Shiprock (N.W. Garrizo)  
(County) (State)  
Date of Visit 6/11/59 Examining Engineer R. K. Nestler

Eligible Balance from last IBM Sheet: 9, 516.42 as of 5/31/59.

No change from balance when last examined by Taylor & Speal 6/12/58.

Remarks: (Should include anything of interest about the property covering briefly such things as changes in ownership, present production, etc.)

Road in good shape. About 2 tons of ore piled at bottom of what was once an ore chute and about 500 pounds at the top of the chute. No sign of recent work and no equipment on property.

Have you seen anything to lead you to suspect fraudulent collection of bonus?

\_\_\_\_\_ Yes X No

If the answer is yes - explain.

Distribution:

Development Section

Branch Offices W. H. H.

re

RHI  
6/16/60RECURRING VISITS TO CERTIFIED PROPERTIES

Group Name Benally 1, 2 & 3 Certification No. C-672  
Location Apache Arizona District Shiprock (NW Carrizo)  
(County) (State)  
Date of Visit 6/9/60 Examining Engineer W. D. Tipton

Eligible Balance from last IBM Sheet: 9,516.42 pounds on 3/31/60.

No change since previous visit by Nestler on 6/11/59.

Remarks: (Should include anything of interest about the property covering briefly such things as changes in ownership, present production, etc.)

This property is apparently abandoned. No activity and no equipment - development by intermittent rim strips & cuts, Benally #1 consists of a 100' drift and room near face of drift, intermittent gopher holes cut along ribs of the room. Thin bands and small patches of  $U_3O_8$  ore visible in the ribs.

Bonus payments on this property totalled 483.58 pounds. The extent of mining activities is commensurate with the extent of bonus payments.

Have you seen anything to lead you to suspect fraudulent collection of bonus?

\_\_\_\_ Yes X No

If the answer is yes - explain.

Distribution:

Development Section

Branch offices *[Signature]*

FINAL

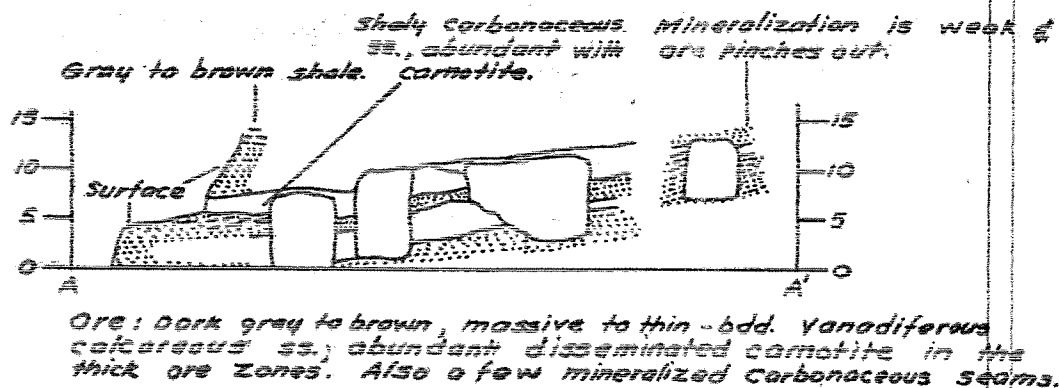
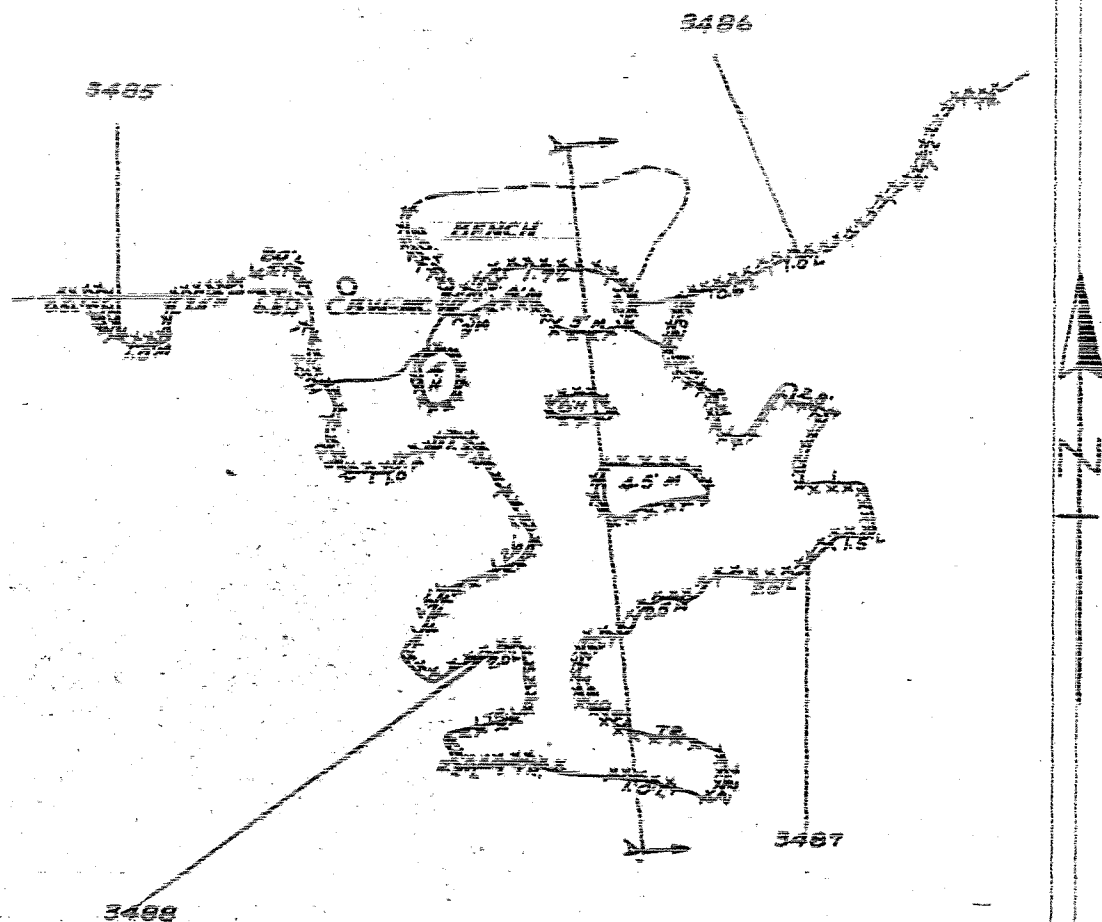
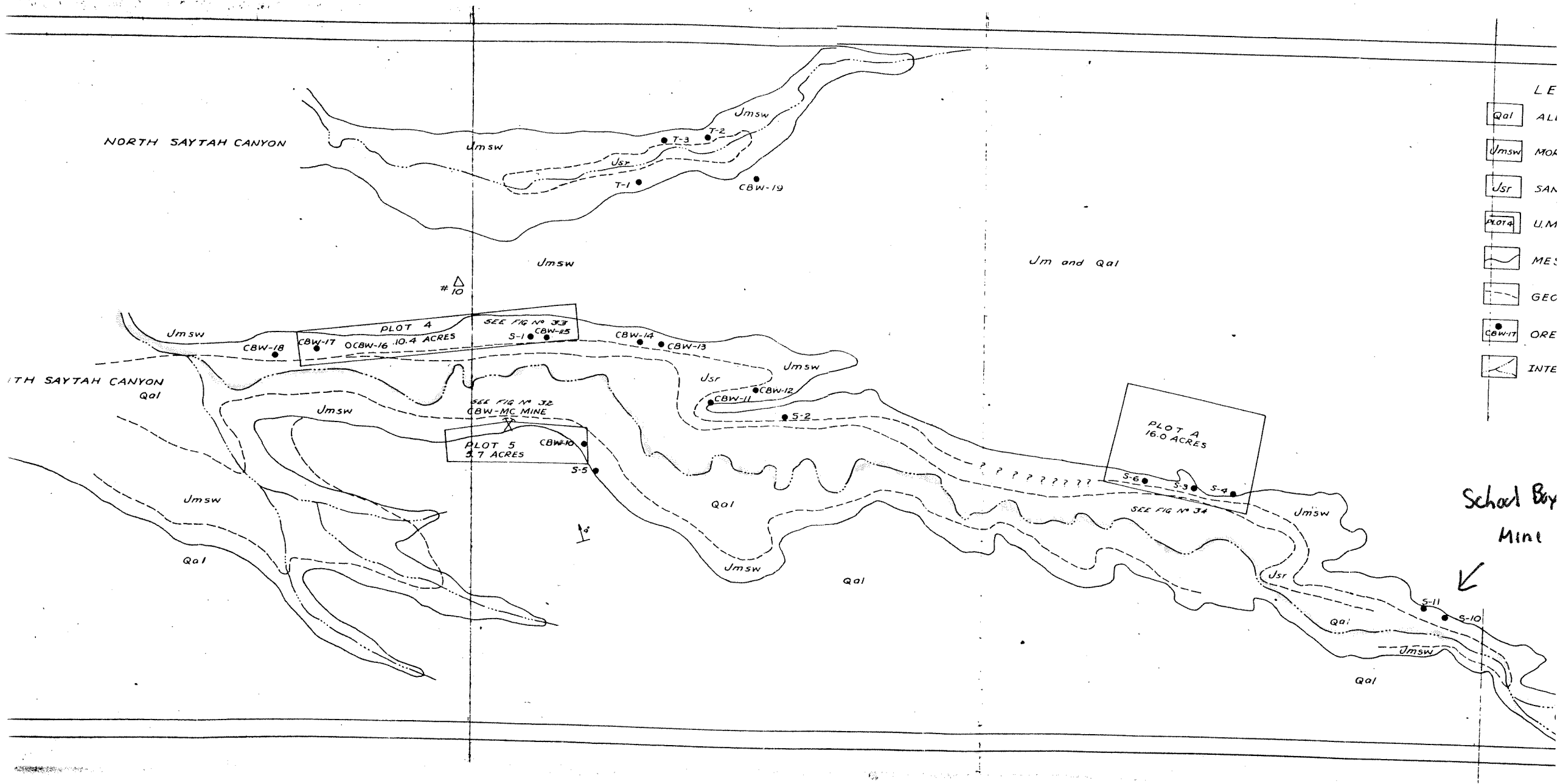


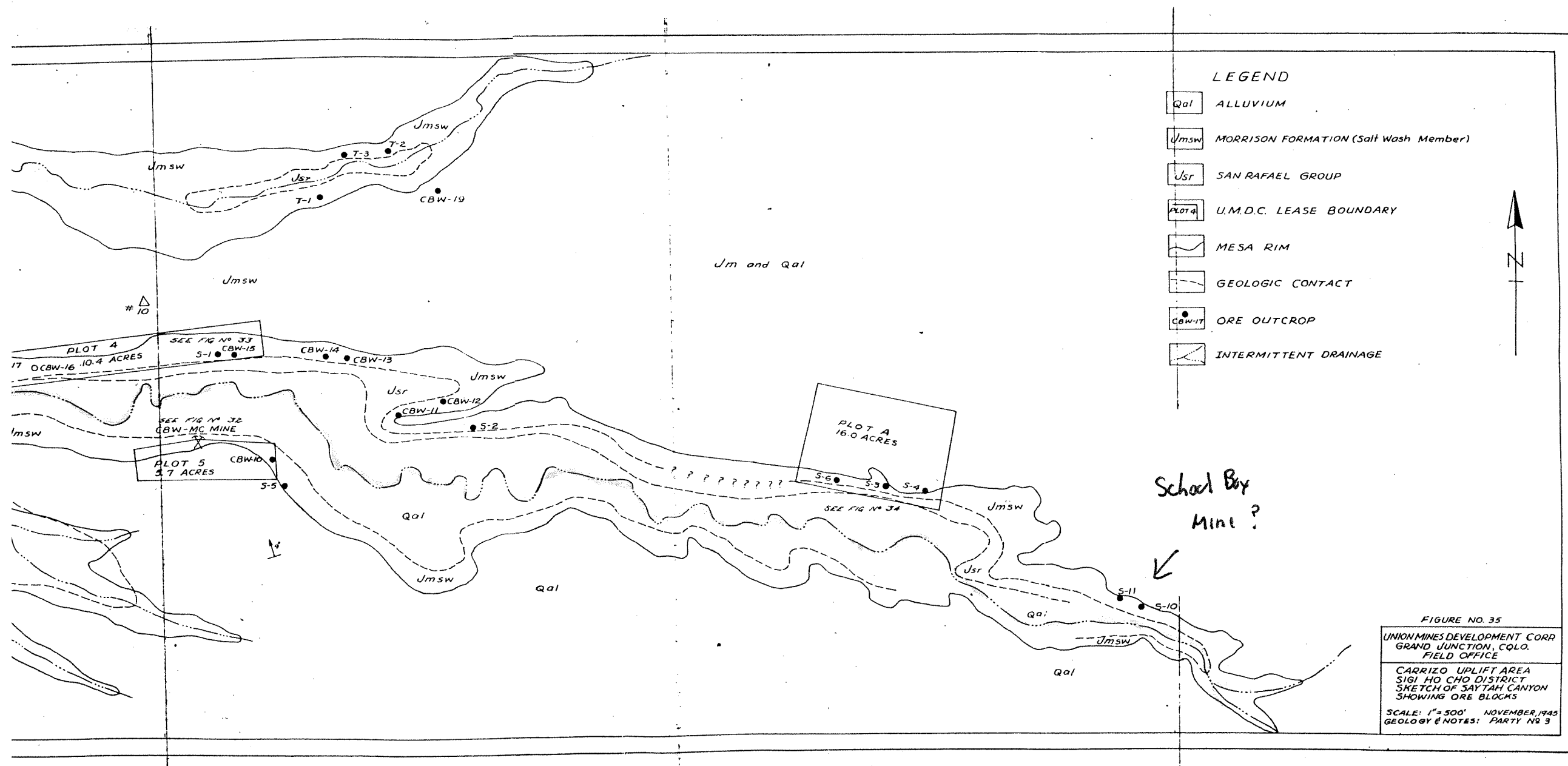
FIGURE NO. 32

UNION MINES DEVELOPMENT CORP.  
 GRAND JUNCTION, COLO.  
 FIELD OFFICE

CARRIZO UPLIFT AREA  
 SISI HO CHO DISTRICT  
 SOUTH SAYTAN CANYON  
 CBW-MC MINE

SCALE: 1"=20' OCTOBER, 1945  
 GEOLOGY & NOTES: PARTY NO. 3





N.75°55'E.  
3497

PLOT #1  
160.0 ACRES

N.4°28'W.  
3009

S.83°40'W.  
1949'

V.C.A. Plot #4

S.84°W. 1856'

760' 185W 3

N.86°E.  
1660'

V.C.A.

Plot #5

S.89°50'  
1189.983'

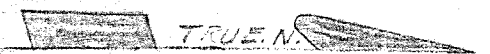
N.53°55'W.  
2295'

PLOT

159.3 ACRES

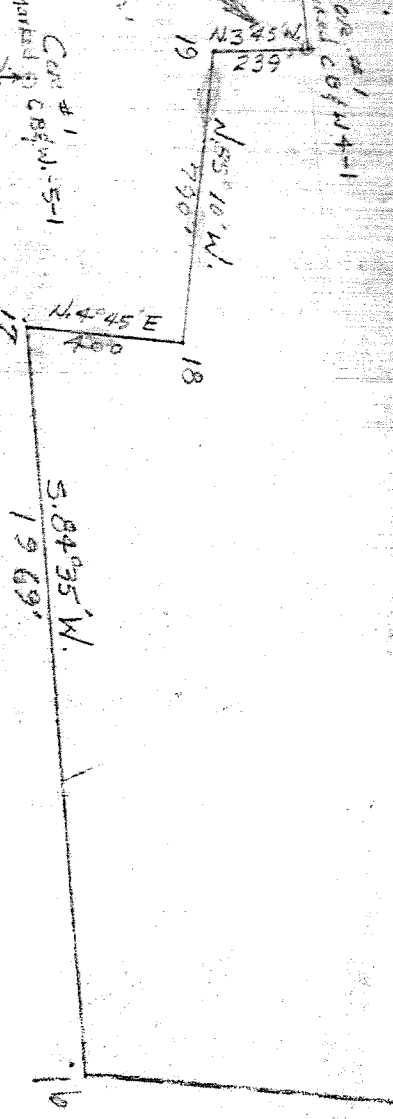
N.88°11'  
330

R24E

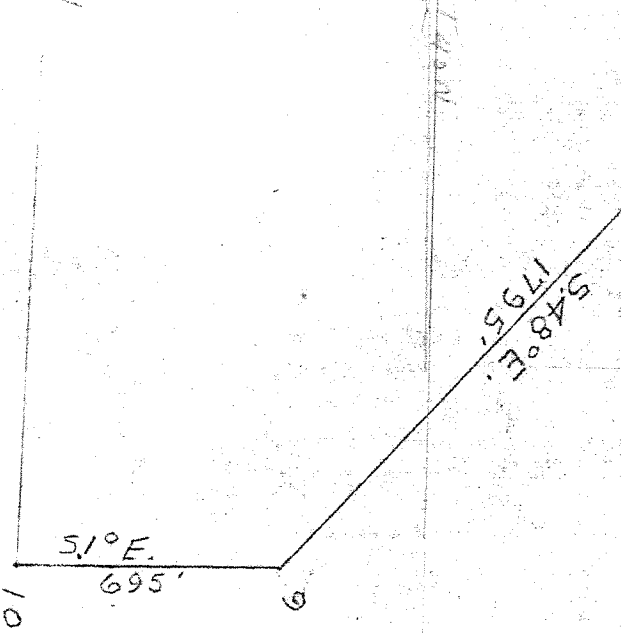


166° E.  
3422'

PLOT #2  
160.0 ACRES



SCALE 1" = 500'



RESURVEYED MAP OF MELVIN BENALAY NO. 1, 2, 3, IN  
NORTH & SOUTH SAYTAN CANYON AREA  
NAVAJO DISTRICT NO. 9  
APACHE COUNTY, ARIZONA.  
DATE SURVEYED MAY 26, 1955

*Bydew Mines Inc.*  
Box 728  
Cortez, Colo  
*Henry Filer*

*John Benalaya's claim  
(American Uranium)*

BY J. D. GORDON